

Message Text

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ACTION EB-08

INFO OCT-01 EUR-12 NEA-10 ISO-00 XMB-02 COME-00 TRSE-00

AID-05 CIAE-00 FRB-03 INR-07 NSAE-00 USIA-06

OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 L-03 /068 W

-----038465 201259Z /43

R 201120Z SEP 77

FM AMEMBASSY TUNIS

TO SECSTATE WASHDC 8329

INFO AMEMBASSY ALGIERS

AMEMBASSY BRUSSELS

AMEMBASSY PARIS

AMEMBASSY RABAT

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DEPT PASS EXIMBANK, COMMERCE, TREASURY AND AID

BRUSSELS ALSO FOR USEC, PARIS ALSO FOR OECD

E.O.11652: NA

TAGS: EFIN, TS

SUBJ: U.S. BANKS TO SYNDICATE TUNISIAN BORROWING FOR
FIFTH DEVELOPMENT PLAN

REF: TUNIS 6103 (NOTAL)

1. WHILE GOT HAS YET TO MAKE OFFICIAL ANNOUNCEMENT,
LOCAL AMERICAN BANKING SOURCES CONFIRM CHASE MANHAT-
TAN AND BANK OF AMERICA TO BE JOINT MANAGERS FOR
\$100 MILLION GOT BORROWING FOR CAPITAL OUTLAYS
UNDER FIFTH DEVELOPMENT PLAN. SYNDICATION FULLY
UNDERWRITTEN BY THE TWO BANKS; MEDIUM-TERM LOAN TO
RUN FOR 7 YEARS INCLUDING 4-YEAR PERIOD OF GRACE
AND 3-YEAR REPAYMENT PERIOD. INTEREST RATE IS 1
AND 1/8 PERCENT OVER LONDON INTERBANK RATE, (LIBOR).

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IN ADDITION, GOT TO PAY 3/8 PERCENT MANAGEMENT FEE
ON SIGNING OF LOAN; ALSO PAYS SYNDICATION EXPENSES
AND 1/2 PERCENT COMMITMENT FEE ON UNUSED PORTION
OF CREDIT.

2. INTEREST RATE HIGHLY COMPETITIVE. ONE BANKING
SOURCE ATTRIBUTED SUCCESSFUL BID BY CHASE AND BANK

OF AMERICA (OVER CITIBANK, BANQUE NATIONALE DE
PARIS AND UNSOLICITED BIDDERS) IN PART TO LIMITED
ACTIVITY OF CHASE AND BANK OF AMERICA IN MOROCCO AND
ALGERIA AND THEREFORE THEIR LESSER SENSITIVITY TO
PROBOEMS OF PRECEDENT FOR LENDING IN THESE OTHER COUN-
TRIES.

3. FORMAL SIGNING OF LOAN EXPECTED FOR FIRST WEEK
OF NOVEMBER HERE OR IN LONDON. NECESSARY FORMALI-
TIES MEAN FIYST DRAWING ON CREDIT NOT LIKELY BE-
FORE EARLY NEXT FEAR. GOT EXPECTED TO RETURN TO
MARKET ON SIMILAR MAJOR SCALE, PERHAPS IN LATER
HALF OF 1978, WHEN PROGRESS ON MAJOR PROJECTS SIG-
NALS FURTHER NEED FOR CAPITAL FUNDING.
MULCAHY

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ECONOMIC ASSISTANCE, LOANS, DEVELOPMENT BANKS
Control Number: n/a
Copy: SINGLE
Sent Date: 20-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TUNIS06683
Document Source: CORE
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Drafter: n/a
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770341-0677
Format: TEL
From: TUNIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770942/aaaabiyh.tel
Line Count: 77
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: ac818741-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Handling Restrictions: n/a
Reference: 77 TUNIS 6103
Retention: 0
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Review Content Flags:
Review Date: 18-Nov-2004 12:00:00 am
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Review Exemptions: n/a
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SAS ID: 1201417
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Status: NATIVE
Subject: U.S. BANKS TO SYNDICATE TUNISIAN BORROWING FOR FIFTH DEVELOPMENT PLAN
TAGS: EFIN, TS, CHASE MANHATTAN, BANK OF AMERICA
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Type: TE
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Review Markings:
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